COLLECTIVE BARGAINING AGREEMENT

between

INTERNATIONAL BROTHERHOOD OF TEAMSTERS LOCAL 2

and

STATE OF MONTANA DEPARTMENT OF MILITARY AFFAIRS AIR NATIONAL GUARD CIVIL ENGINEERING

PREAMBLE

This agreement is made and entered into this twenty-seventh day of March 2007 by and between the State of Montana, Department of Military Affairs, hereinafter called "Employer," and the Local Union #2, International Brotherhood of Teamsters, hereinafter called the "Union," for the purpose of promoting and improving understanding between the Employer and the Union relative to labor-management relations, standards of wages, hours, and other conditions of employment, and to provide a means of amicable and equitable adjustment of grievances which may arise within the terms contained herein.

ARTICLE 1 - RECOGNITION

The employer hereby recognizes the Union as the exclusive representative for all those employees of the State of Montana, Department of Military Affairs, Montana Air National Guard Engineering Department, who have been determined appropriate for inclusion by the Board of Personnel Appeals, exclusive of managers, supervisors, confidential employees, temporary or seasonal employees, and part-time employees who work less than twenty (20) hours per week.

ARTICLE 2 - MANAGEMENT RIGHTS

As specified by 39.31.303, Montana Code Annotated, the parties to this agreement recognize the right and duty of the agency to manage, direct and control its business in all particulars, except where such right is expressly and specifically modified by the terms of this Agreement, in such areas as, but not limited to:

- 1. Directing employees;
- 2. Hiring, promoting, transferring, assigning, and retaining employees;
- 3. Relieving employees from duties because of lack of work or funds or under conditions where continuation of such work would be inefficient or nonproductive;
- 4. Maintaining the efficiency of government operations;
- 5. Determining the methods, means, job classifications, and personnel by which the agency operations are to be conducted;
- 6. Taking whatever actions may be necessary to carry out the missions of the agency in situations of emergency; and
- 7. Establishing the methods and processes by which work is to be conducted.

In support of the above rights the employer retains the right to formulate and enforce policies insofar as such policies do not conflict with the express terms and conditions of this Agreement.

ARTICLE 3 - UNION SECURITY

<u>Section 1</u>. To assist the employees covered by this agreement as a group in meeting the costs of planning, negotiating and administering this agreement, and of protecting and promoting their interests; each employee, as a condition of initial and continuing employment, shall be required to either maintain membership in, or make payment of a representation fee to be established by the appropriate jurisdictional union.

<u>Section 2</u>. All employees shall have thirty (30) days from the date of signing this agreement or date of employment, whichever is later, to pay the fees properly assessed in Section 1 of this article Employees who fail to comply with this provision are subject to discharge within fifteen (15) days after employer's receipt of written notice from the Union. Such notice shall contain all relevant information regarding the Union's attempts to obtain the employee's compliance.

<u>Section 3</u>. The employer agrees to accept and honor voluntary written assignments of Union dues from wages or salaries due and owing employees covered by this Agreement provided that such assignments can be grouped and the total made payable to the employee's respective union.

<u>Section 4</u>. The Union will indemnify, defend and hold the Department of Military Affairs and the State of Montana harmless against any claims made and against any suit instituted against the employer, including attorney's fees and costs of defense thereof, on account of any provision of this Article.

<u>Section 5</u>. The employer shall notify the union, in writing, of employees hired, who may be affected by this agreement within five (5) working days from the date of hire, and said employee(s) shall be notified to make contact with the union.

ARTICLE 4 - UNION RIGHTS

<u>Section 1</u>. The Employer agrees that local accredited representatives of the Union shall have access to the premises of the Employer so long as such visits do not unduly interrupt agency business and subject to notification of the employees supervisor. The Union agrees to provide the Employer with a list of such local representatives and to notify the Employer in writing of any changes to the list.

<u>Section 2</u>. The Union shall be allowed one (1) Union steward at the Great Falls location. The Union shall notify the employer, in writing, who the Union steward is, and of any change that may be made. The notification of the Steward or any change will be mailed to the base Civil Engineer.

ARTICLE 5 - NON-DISCRIMINATION

The Employer and the Union accept their mutual responsibility to ensure non-discrimination in all aspects of employment, for all qualified persons regardless of race, creed, religion, color, national origin, age, physical disability, sex, marital status, family relationships, and membership or non-membership in the Union. The Union and the employer agree to cooperate in an Affirmative Action Program to ensure that no such individuals shall be discriminated against.

ARTICLE 6 - SENIORITY

Section 1. Accrual

Seniority shall be recognized after six (6) months of continuous service and shall include the first six (6) months of employment time.

Section 2. Selection for lay off.

For the purpose of reduction in force; once the position(s) to be deleted have been identified, management will consider qualifications and capabilities in determining who shall fill the remaining positions. If qualifications and capabilities are equal, seniority shall be the determining factor.

Section 3. Recall.

In the event that the position from which an employee has been laid off is reinstated, that employee shall retain recall rights for one (1) year. Management will notify the employee at his/her last provided address and he/she shall have ten (10) working days to exercise said recall rights by returning to work.

Section 4. Loss of seniority.

Seniority shall be revoked if an employee retires or otherwise terminates employment; is discharged for just cause; permanently transfers out of the bargaining unit; or refuses or fails to respond to a recall from layoff; or refuses to return to work on the date requested, as long as the date requested allows an employee who has obtained interim employment to give up to two (2) weeks notice of termination to the interim employer.

Section 5. Accrual rights during lay off.

Seniority shall continue to accrue for up to a period of twelve (12) months if an employee is on layoff or is granted an authorized leave of absence. All of an employee's seniority shall be revoked if the employee has not been recalled from a layoff by the end of the twelve (12) month period. Also, an employee on an approved leave of absence at the end of the twelve (12) month period shall cease to accrue seniority until he/she returns to work, or has his/her seniority revoked in accordance with Section 4.

Section 6. Probation

All new employees must complete a six (6) month probationary period for purposes of determination of the employee's fitness to hold any position covered by this agreement. During the probationary period, an employee may be terminated for any reason, without recourse to the grievance procedure.

ARTICLE 7 - HOLIDAYS and LEAVES

<u>Section 1</u>. Employees shall be granted all legal Holidays, as provided in Section 1-1-216, MCA, without loss of pay, as follows:

January 1	
Third Monday in January	
Third Monday in February	
. Last Monday in May	
July 4	
First Monday in September	
. Second Monday in October	
November 11	
Fourth Thursday in Novembe	er
December 25	
1st Tuesday after the 1st Mo	ndav
in November, even-numbere	
	Third Monday in JanuaryThird Monday in FebruaryLast Monday in MayJuly 4First Monday in SeptemberSecond Monday in OctoberNovember 11Fourth Thursday in NovemberDecember 25 1st Tuesday after the 1st Mo

Any other day declared a legal holiday for state employees.

Section 2. Should the holiday fall on Sunday, the following Monday shall be the holiday.

<u>Section 3</u>. Observance of a holiday falling on an employees day off (Additional Day Provision.) Any employee who is scheduled for a day off on a day which is observed as a legal holiday, except Sundays, shall be entitled to receive a day off either on the day preceding or the day following the holiday, whichever allows a day off in addition to the employees regularly scheduled day off.

Section 4. There shall be no regular scheduled holiday work except that emergency work may be performed on holidays at time and one half (1 1/2) rate, in addition to holiday pay. (Eight (8) hours regular pay plus one and one-half (1 1/2) times regular pay for hours actually worked.)

Section 5. Part-time proration.

Part-time permanent employees shall receive prorated holiday benefits provided they normally work more than twenty (20) hours per week.

Section 6. Annual leave (Vacation) is provided for under Section 2-18-614, MCA.

<u>Section 7</u>. Sick leave for employees shall be governed by regulations of the state Department of Administration, subject to any future revisions made by the Department of Administration. The term "sick leave" means, as provided in 2-18-601 MCA, "a leave of absence with pay for a sickness suffered by an employee or a member of the employee's immediate family or

for a permanent state employee who is eligible for parental leave under the provisions of 2-18-606 MCA." The term "immediate family" means "the employee's spouse and any member of the employee's household, or any parent, child, grandparent, grandchild, or corresponding in-law."

Section 8. Military Leave shall be governed by Sections 2-18-614 and 10-1-604 M.C.A.

Section 9. Jury Duty shall be governed by Section 2-18-619, M.C.A.

ARTICLE 8 - HOURS OF WORK, COMPENSATION AND OVERTIME

Section 1. Work Day.

The normal work days shall be Monday through Friday. The length of the work day may vary, but the assigned work week will not exceed forty (40) hours within a one hundred sixty eight (168) consecutive hour time period. When the bargaining unit's normal work schedule is changed, management will solicit the union's advice regarding the effects of the change on affected employees. For pay purposes, the work week covers the period from 12:00 (noon) on Monday to 12:00 (noon) on the following Monday. The work year is scheduled from October 1 to September 30 and this schedule will be provided to the union each year upon completion and will be considered an addendum to the contract.

Section 2. Breaks and meal periods.

Employees shall be entitled to: 1) a meal period of not less than thirty (30) minutes for every work day and, 2) a 15 minute break during the first half and during the second half of the scheduled shift. It is understood and agreed that lunch, dinner and/or rest breaks may be interrupted due to emergencies or essential work, but that such breaks shall be resumed for the normal duration immediately upon conclusion of emergency or essential work.

Section 3. Wages.

Wages shall be paid in accordance with the Statute and Pay Plan Rules for classified employees. (see Addendum A)

Section 4. Overtime Defined.

Employees required to work in excess of 40 hours in a week at the direction of management, shall be compensated at a rate of one and one-half (1 1/2) times the employees hourly rate for each hour of overtime worked. In no case shall overtime be pyramided. Management will not reschedule employees to avoid paying overtime and then perform the work of bargaining unit members themselves (managers).

Section 5. Compensatory time.

Upon mutual agreement, an employee may elect to receive compensatory time in lieu of overtime in accordance with the provisions of the Fair Labor Standards Act.

Subsection 1. Maximum accumulation.

The maximum amount of compensatory time which may be accumulated is 100 hours which may be carried from year to year.

<u>Subsection 2</u>. Use of Compensatory time.

An employee must have his immediate supervisor's prior approval to use accumulated compensatory time.

Subsection 3. Payment on Termination

If employment is terminated, any unused compensatory time will be paid to the employee at the regular rate of pay at the time of termination.

Subsection 4. Voluntary Payout.

At its discretion, the Employer may, at any time, pay cash for part or all of an employees accrued compensatory time balance.

Section 6. Call Back Pay.

Employees required to report to work during their off duty hours shall be compensated at the rate of one and one half (1 1/2) times their straight time pay rate for a minimum of two (2) hours. For any time over the two (2) hours, the employee shall be paid for actual hours worked on the call out. This does not apply to an early report if less than two (2) hours prior to the employee's scheduled start time and/or a holdover of up to two (2) hours beyond the employee's regularly scheduled shift so long as the employee is notified of such schedule changes by the end of the preceding shift. In those cases (early report and holdover) the employee receives overtime pay only if they exceed forty (40) hours of work during that week. An employee who is called out under this provision shall prepare at the conclusion of the call-out a written report explaining and/or identifying the time of the call, the person who called, the time of the response, the nature of the emergency, actions taken to resolve the emergency and the total time required to complete the action. The employee shall complete this report at the conclusion of the call-out so it is available to the supervisor at the beginning of the next regularly scheduled duty day.

Section 7. Travel

Meals, lodging, and transportation associated with approved travel for state business shall be administered in accordance with state statute (2-18-501 M.C.A.) and rules.

ARTICLE 9 - HEALTH INSURANCE, RETIREMENT AND EDUCATION

Section 1. Health Insurance.

The Employer agrees to contribute the same amount toward the State of Montana group health insurance premium as established for all other state employees in 2-18-703, M.C.A.

Section 2. Retirement.

Eligible employees shall be covered by the Montana Public Employees Retirement System as provided by state law.

Section 3. Continuing Education.

All schooling, training and educational materials required for continued employment will be furnished by the employer at no expense to the employees. Employees may request additional schooling or training, and if approved by the Employer, the training will be paid by the employer and the employee will be allowed to attend schooling or training on paid time if during normal work hours.

Section 4. Examinations

The Employer will pay for annual examinations that include asbestos physicals and hearing exams. The Employer also will pay the cost of any license-related physical for a commercial driver's license when the Employer requires such a license. Any physical examination or screening to be funded by the Employer must be arranged or approved in advance by the Employer.

ARTICLE 10 - SPECIAL REQUIREMENTS.

Section 1. Uniforms.

Should the employer require the wearing of a uniform, such uniform will be provided by the employer.

Section 2. Security Clearance.

Due to the military nature of the employer, new employees must meet security requirements of the employer as a condition of employment and will therefore be subject to a security investigation upon hire and subsequently whenever security needs dictate.

Section 3. Commercial Driver's License.

Should the Employer require employees to hold a commercial driver's license, the cost of obtaining such license (including the cost of any license-related physical to be arranged or approved in advance by the employer) will be paid by the employer.

<u>Section 4</u>. Master / Journeyman Electrical License.

The Employer shall pay the license cost required for electricians to maintain state licenses.

Section 5. Pesticide Applicator License.

The Employer shall pay the license cost required for maintenance workers to obtain a pesticide applicator license from the Montana Department of Agriculture.

Section 6. Plumber License.

The Employer shall pay the license cost required for plumbers to maintain state licenses.

<u>Section 7</u>. Protective Clothing.

The Employer will provide reimbursement of up to \$160.00 on July 1, 2007, and up to \$170.00 on July 1, 2008, for protective clothing not including safety footwear. A safety footwear replacement reimbursement of up to \$160.00 on July 1, 2007, and up to \$170.00 on July 1, 2008 will be provided on an as-needed basis.

ARTICLE 11 - GRIEVANCE PROCEDURE

Having a desire to create and maintain labor relations harmony between them, the parties hereto agree that they will promptly attempt to adjust all grievances between them involving questions of interpretation or application of the express terms and provisions of this Agreement during the life of this Agreement.

Section 1. Steps to the grievance procedure.

Any alleged violation of this Agreement shall first be discussed informally between the employee(s) and their immediate supervisor within five (5) calendar days after the grievant(s) know or should have known of the alleged violation of contract. No grievance shall be reduced to writing and advanced to Step 2 of this grievance procedure until it has been presented to the supervisor for informal discussion and attempted resolution. If informal efforts fail to resolve the grievance, the employee may refer the matter to the union local, in writing, within 10 days of the alleged violation.

- Step 2. If the local union decides to pursue the grievance, the union shall, no later than the 15th day after the occurrence of the alleged grievance, present the grievance, in writing on the appropriate form, to the base Civil Engineer or his designee'. At minimum this written grievance shall contain the following information:
 - 1. The nature of the grievance and the facts upon which it is based.
 - 2. The specific provisions of the agreement allegedly violated.
 - 3. The remedy requested.

The Base Civil Engineer or his designee' will respond in writing to the written grievance within ten (10) calendar days.

- Step 3. If the Union decides that the response at Step 2 is unsatisfactory, the Union may present the written grievance (containing all the information required above) to the Adjutant General or his designee' within ten (10) calendar days of receipt of the Step 2 response. The Adjutant or his designee' will respond in writing within ten (10) calendar days of receipt of the grievance.
- Step 4. Should the local Union decide that the reply of the Adjutant General is unsatisfactory; the Local Union shall resubmit the grievance to the Adjutant General within ten (10) calendar days after receipt of the step 3 decision. Within ten (10) calendar days thereafter, subject to agreement by both parties, a four (4) person arbitration board shall be named which must consist of:
 - two (2) persons representing the Union; one of whom has not been a party to the grievance or in any way involved in the processing of the grievance, and
 - two (2) persons representing management; one of whom has not been a party to the grievance nor is supervised by anyone involved in the grievance.

This board shall investigate and discuss the issues and data pertinent to the grievance, in an effort to arrive at a resolution of the grievance. Within fifteen (15) days after it has convened, the arbitration board shall submit a majority decision, if one has been reached, in writing to both parties. Any majority decision reached by the board shall be binding upon the parties to this agreement.

Step 5. If either party refuses step four, or if the board is unable to reach a majority decision, the Union may, within 15 calendar days after receiving the Step 3 or Step 4 response, notify the Adjutant General of the Department of Military Affairs and the Chief, Labor and Employee Relations Bureau, Department of Administration, of its decision to submit the grievance to final and binding arbitration.

Section 2. Rules of Grievance Processing

- (1) The time limits at any stage of the grievance procedure may be extended by written mutual agreement of the parties involved in that step. The time limit for the grievant(s) shall be suspended when the grievant(s) is on military orders.
- (2) A grievance presented at Step 2 and above shall be dated and signed by the aggrieved employee and/or his/her representative presenting it.
- (3) A grievance not advanced to the next higher step within the time limits set forth in this Article shall be deemed permanently withdrawn and settled on the basis of the decision at the most recent step of the grievance procedure. Failure on the part of the Employer's representative to respond within the time limits set forth at each step in this Article will entitle the Union to proceed to the next step.

Section 3. Rules of Arbitration

- (1) Within 10 days after such written notice of intent to arbitrate is delivered to the Chief of the Labor and Employee Relations Bureau, the parties shall call on the Montana Board of Personnel Appeals or the Federal Mediation and Conciliation Service to provide a list of seven (7) arbitrators.
- (2) The parties will flip a coin to determine who strikes the first name. Each party shall be entitled to strike 3 names from the list in alternate order and the name so remaining shall be the arbitrator. The arbitrator chosen shall be contacted and asked to schedule a hearing at the earliest possible date. The arbitrator shall issue a decision within 30 calendar days of the hearing or submission of briefs, and that decision shall be final and binding.
- (3) Each party shall share equally the cost of the impartial arbitrator. In the event one of the parties wants a transcript from the proceedings of the arbitration, the party

- requesting the transcript shall pay all costs. If each party requests transcripts, they shall equally share the cost.
- (4) Time limits of the arbitration may be extended by mutual agreement between the parties.
- (5) Alternative procedures.

 If the Union or the Grievant chooses to use alternative grievance procedures, to include administrative or judicial procedures, they may not pursue the same complaint simultaneously under the provisions of this contractual grievance procedure. Similarly, an employee who pursues a grievance under the provisions of this contract may not pursue the same grievance under another procedure.
- (6) Arbitrator's authority.

 The arbitrator's authority shall be limited to the interpretation and application of the express terms and provisions of this Agreement to issues which arise during the term of this agreement. No arbitrator shall have the power to add to, subtract from, or modify the terms of this agreement.
- (7) Effect of the Arbitration Board Decision.

 Any decision reached by an Arbitration board at step 4 shall be applicable only to the grievance which it expressly addresses and shall have no precedential effect for the purposes of future binding arbitration procedures, nor shall such board have the power to make general rulings on the interpretation or effect of specific contractual language.
- (8) Classification grievances.
 In the event of a classification related grievance, the statutory classification appeal route shall be followed wherein the grievance may be submitted to the Board of Personnel Appeals for final resolution. Where a question arises as to whether the matter falls under the jurisdiction of the Board or could possibly be arbitrated, the matter shall be referred to the Board for a decision.

ARTICLE 12 - NO STRIKES

<u>Section 1</u>. Strikes of all nature including sympathy strikes, slowdowns, sickouts, or lockouts are prohibited during the term of this agreement.

<u>Section 2</u>. The Employer reserves the right to discipline, up to and including discharge, any employee who violates this Article.

ARTICLE 13 - ENTIRE AGREEMENT

This Agreement together with those Addenda which are referred to herein, and which by specific reference, are made a part hereof, constitutes the complete and sole agreement which exists between the Employer and the Union. It is agreed that neither party will attempt to add to or alter the terms of this agreement except as provided immediately below. It is further agreed that the acts practices, or agreement of the Employer's supervisory employees will not be construed to add to or alter this agreement.

ARTICLE 14 - SAVINGS CLAUSE

If any section, subdivision, paragraph, sentence, clause, phrase, or any other part of this Agreement is determined or declared to be contrary to or in violation of any state or federal law, the remainder of the Agreement shall not be affected or invalidated; however, the parties shall negotiate on the affected or invalidated portion of the Agreement, and such negotiations shall be limited to the affected or invalidated portion.

ARTICLE 15 - EFFECTIVE DATE - TERM OF AGREEMENT

Section 1. Duration

This Agreement shall become effective the first day of July 2007 and shall remain in full force and effect through the 30th day of June, 2009. Either party shall notify the other in writing at least sixty (60) days prior to the expiration if they desire to reopen the Agreement for modification.

Section 2. Notification

If the union gives notice to reopen the Agreement, it shall also notify the Chief of the Labor and Employee Relations Bureau, in writing, of such requested negotiations at the same time such notice is given to the employing agency. In the event such notice is given, negotiations shall begin not later than thirty (30) days prior to the expiration date. Every effort will be made by both parties to conclude negotiations before the expiration date of this agreement.

Section 3. Economic negotiations

The union may request negotiations on applicable economic issues covering the 2010 - 2011 biennium no sooner than five (5) months prior to the convening of the regular 2009 legislative

session, so that there will be sufficient time for adequate negotiations to take place. The Union shall have the right to take concerted actions after December 31, 2008 on wages and fringe benefits concerning the 20010-20011 biennium.

In Witness whereof, the parties hereto, acting by and through their respective and duly authorized officers or representatives have hereunto set their hands and seals the day and year first above written.

FOR: STATE OF MONTANA

FOR: TEAMSTERS LOCAL NO. 2

Max Hallfrisch, Business Agent

Teamsters Local #2

Corey Halvorson, Lieutenant Colonel

Base Civil Engineer

Randy Mosley, Adjutant General Department of Military Affairs

Paula Stoll, Chief

State Office of Labor Relations

ADDENDUM A - WAGES

Blue Collar Pay Plan 2007-2009 Contract Term

The hourly base wage for each bargaining unit position at the Air Guard facility increases by 3.6% in October 2007 and by 3.6% in October 2008 as follows:

Job Title	Blue Collar Grade	July 07	Oct. '07	Oct. '08
Maintenance Worker/ Grounds	9	\$17.056	\$17.67	\$18.306
Carpenter	11	\$17.917	\$18.562	\$19.23
Electrician	12	\$18.347	\$19.007	\$19.692
Mechanical Systems Specialist	11	\$17.917	\$18.562	\$19.23

Management, at its discretion, will place new employees at a place it deems appropriate in the following progression:

1st 6 months of Employment	70% of Journeyman Scale
2nd 6 months of Employment	80% of Journeyman Scale
3rd 6 months of Employment	90% of Journeyman Scale
Thereafter	Full Scale

Longevity

Employees shall receive statutory longevity pay adjustments in 5-year increments as authorized under 2-18-304 MCA. Under this statute, employees receive 1.5% of the employee's base salary multiplied by the number of completed, contiguous 5-year periods of uninterrupted state service. Beginning July 1, 2007, each employee who has completed 10 years of uninterrupted state service, 15 years of uninterrupted state service or completed 20 years of uninterrupted state service receives an additional 0.5% of the employee's base salary for each of those additional 5-year increments of uninterrupted service.

Increment	0	1	2	3	4	5	6
Continuous Years	0	_		15	•	•	30
Longevity rate of Base Pay	0	1.5%	3.5%	5.5%	7.5%	9.0%	10.5%

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